
SUBSTITUTE HOUSE BILL 1910

State of Washington 60th Legislature 2007 Regular Session

By House Committee on Housing (originally sponsored by Representatives Ormsby, Fromhold, Miloscia, Dunshee, Kenney, Appleton, Darneille, Hasegawa and Morrell)

READ FIRST TIME 02/28/07.

1 AN ACT Relating to tax incentives for certain multiple-unit
2 dwellings in urban centers that provide affordable housing; amending
3 RCW 84.14.005, 84.14.007, 84.14.010, 84.14.020, 84.14.030, 84.14.040,
4 84.14.050, 84.14.060, 84.14.090, 84.14.100, and 84.14.110; adding a new
5 section to chapter 84.14 RCW; and creating a new section.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 **Sec. 1.** RCW 84.14.005 and 1995 c 375 s 1 are each amended to read
8 as follows:

9 The legislature finds:

10 (1) That in many of Washington's urban centers there is
11 insufficient availability of desirable and convenient residential
12 units, including affordable housing units, to meet the needs of a
13 growing number of the public who would live in these urban centers if
14 these desirable, convenient, attractive, affordable, and livable places
15 to live were available;

16 (2) That the development of additional and desirable residential
17 units, including affordable housing units, in these urban centers that
18 will attract and maintain a significant increase in the number of
19 permanent residents in these areas will help to alleviate the

1 detrimental conditions and social liability that tend to exist in the
2 absence of a viable mixed income residential population and will help
3 to achieve the planning goals mandated by the growth management act
4 under RCW 36.70A.020; and

5 (3) That planning solutions to solve the problems of urban sprawl
6 often lack incentive and implementation techniques needed to encourage
7 residential redevelopment in those urban centers lacking a sufficient
8 variety of residential opportunities, and it is in the public interest
9 and will benefit, provide, and promote the public health, safety, and
10 welfare to stimulate new or enhanced residential opportunities,
11 including affordable housing opportunities, within urban centers
12 through a tax incentive as provided by this chapter.

13 **Sec. 2.** RCW 84.14.007 and 1995 c 375 s 2 are each amended to read
14 as follows:

15 It is the purpose of this chapter to encourage increased
16 residential opportunities, including affordable housing opportunities,
17 in cities that are required to plan or choose to plan under the growth
18 management act within urban centers where the (~~legislative body~~)
19 governing authority of the affected city has found there is
20 insufficient housing opportunities, including affordable housing
21 opportunities. It is further the purpose of this chapter to stimulate
22 the construction of new multifamily housing and the rehabilitation of
23 existing vacant and underutilized buildings for multifamily housing in
24 urban centers having insufficient housing opportunities that will
25 increase and improve residential opportunities, including affordable
26 housing opportunities, within these urban centers. To achieve these
27 purposes, this chapter provides for special valuations in residentially
28 deficient urban centers for eligible improvements associated with
29 multiunit housing (~~in residentially deficient urban centers~~), which
30 includes affordable housing.

31 **Sec. 3.** RCW 84.14.010 and 2002 c 146 s 1 are each amended to read
32 as follows:

33 Unless the context clearly requires otherwise, the definitions in
34 this section apply throughout this chapter.

35 (1) "City" means either (a) a city or town with a population of at
36 least (~~thirty~~) fifteen thousand or (b) the largest city or town, if

1 there is no city or town with a population of at least (~~thirty~~)
2 fifteen thousand, located in a county planning under the growth
3 management act.

4 (2) "Affordable housing" means residential housing that is rented
5 or owned by a person or household whose monthly housing costs,
6 including utilities other than telephone, do not exceed thirty percent
7 of the household's monthly income.

8 (3) "Household" means a single person, family, or unrelated persons
9 living together.

10 (4) "Low-income household" means a single person, family, or
11 unrelated persons living together whose adjusted income is less than
12 eighty percent of the median family income, adjusted for family size,
13 for the county where the project is located.

14 (5) "Moderate-income household" means a single person, family, or
15 unrelated persons living together whose income is more than eighty
16 percent but is at or below one hundred fifteen percent of the median
17 income where the affordable housing is located.

18 (6) "Governing authority" means the local legislative authority of
19 a city having jurisdiction over the property for which an exemption may
20 be applied for under this chapter.

21 (~~(3)~~) (7) "Growth management act" means chapter 36.70A RCW.

22 (~~(4)~~) (8) "Multiple-unit housing" means a building having four or
23 more dwelling units not designed or used as transient accommodations
24 and not including hotels and motels. Multifamily units may result from
25 new construction or rehabilitated or conversion of vacant,
26 underutilized, or substandard buildings to multifamily housing.

27 (~~(5)~~) (9) "Owner" means the property owner of record.

28 (~~(6)~~) (10) "Permanent residential occupancy" means multiunit
29 housing that provides either rental or owner occupancy on a
30 nontransient basis. This includes owner-occupied or rental
31 accommodation that is leased for a period of at least one month. This
32 excludes hotels and motels that predominately offer rental
33 accommodation on a daily or weekly basis.

34 (~~(7)~~) (11) "Rehabilitation improvements" means modifications to
35 existing structures, that are vacant for twelve months or longer, that
36 are made to achieve a condition of substantial compliance with existing
37 building codes or modification to existing occupied structures which
38 increase the number of multifamily housing units.

1 ~~((+8))~~ (12) "Residential targeted area" means an area within an
2 urban center that has been designated by the governing authority as a
3 residential targeted area in accordance with this chapter.

4 ~~((+9))~~ (13) "Substantial compliance" means compliance with local
5 building or housing code requirements that are typically required for
6 rehabilitation as opposed to new construction.

7 ~~((+10))~~ (14) "Urban center" means a compact identifiable district
8 where urban residents may obtain a variety of products and services.
9 An urban center must contain:

10 (a) Several existing or previous, or both, business establishments
11 that may include but are not limited to shops, offices, banks,
12 restaurants, governmental agencies;

13 (b) Adequate public facilities including streets, sidewalks,
14 lighting, transit, domestic water, and sanitary sewer systems; and

15 (c) A mixture of uses and activities that may include housing,
16 recreation, and cultural activities in association with either
17 commercial or office, or both, use.

18 **Sec. 4.** RCW 84.14.020 and 2002 c 146 s 2 are each amended to read
19 as follows:

20 (1) The value of new housing construction, conversion, and
21 rehabilitation improvements qualifying under this chapter is exempt
22 from ad valorem property taxation, for ten successive years beginning
23 January 1 of the year immediately following the calendar year of
24 issuance of the certificate of tax exemption eligibility. However, the
25 exemption does not include the value of land or nonhousing-related
26 improvements not qualifying under this chapter. When a local
27 ~~((government adopts))~~ government's guidelines adopted pursuant to RCW
28 84.14.030(2) ~~((and the qualifying dwelling units are each on separate
29 parcels for the purpose of property taxation))~~ include conditions that
30 must be satisfied with respect to individual dwelling units, rather
31 than with respect to the multiple-unit housing as a whole or some
32 minimum portion thereof, the exemption ~~((may, at the local government's
33 discretion, be))~~ is limited to the value of the qualifying improvements
34 allocable to those dwelling units that meet the local guidelines.

35 (2) In the case of rehabilitation of existing buildings, the
36 exemption does not include the value of improvements constructed prior

1 to the submission of the application required under this chapter. The
2 incentive provided by this chapter is in addition to any other
3 incentives, tax credits, grants, or other incentives provided by law.

4 (3) This chapter does not apply to increases in assessed valuation
5 made by the assessor on nonqualifying portions of building and value of
6 land nor to increases made by lawful order of a county board of
7 equalization, the department of revenue, or a county, to a class of
8 property throughout the county or specific area of the county to
9 achieve the uniformity of assessment or appraisal required by law.

10 (4) At the conclusion of the ten-year exemption period, the new or
11 rehabilitated housing cost shall be considered as new construction for
12 the purposes of chapter 84.55 RCW.

13 **Sec. 5.** RCW 84.14.030 and 2005 c 80 s 1 are each amended to read
14 as follows:

15 An owner of property making application under this chapter must
16 meet the following requirements:

17 (1) The new or rehabilitated multiple-unit housing must be located
18 in a residential targeted area as designated by the city;

19 (2) The multiple-unit housing must meet ~~((the))~~ guidelines as
20 adopted by the governing authority that must include, for each city,
21 affordable housing requirements established by the governing authority
22 as required by RCW 84.14.040. Other guidelines may include height,
23 density, public benefit features, number and size of proposed
24 development, parking, ~~((low income or moderate income occupancy~~
25 ~~requirements,))~~ and other adopted requirements indicated necessary by
26 the city. The required amenities should be relative to the size of the
27 project and tax benefit to be obtained;

28 (3) The new, converted, or rehabilitated multiple-unit housing must
29 provide for a minimum of fifty percent of the space for permanent
30 residential occupancy. In the case of existing occupied multifamily
31 development, the multifamily housing must also provide for a minimum of
32 four additional multifamily units. Existing multifamily vacant housing
33 that has been vacant for twelve months or more does not have to provide
34 additional multifamily units;

35 (4) New construction multifamily housing and rehabilitation
36 improvements must be completed within three years from the date of
37 approval of the application;

1 (5) Property proposed to be rehabilitated must fail to comply with
2 one or more standards of the applicable state or local building or
3 housing codes on or after July 23, 1995. If the property proposed to
4 be rehabilitated is not vacant, an applicant shall provide each
5 existing tenant housing of comparable size, quality, and price and a
6 reasonable opportunity to relocate; and

7 (6) The applicant must enter into a contract with the city approved
8 by the governing ((body)) authority, or an administrative official or
9 commission authorized by the governing authority, under which the
10 applicant has agreed to the implementation of the development on terms
11 and conditions satisfactory to the governing authority.

12 **Sec. 6.** RCW 84.14.040 and 1995 c 375 s 7 are each amended to read
13 as follows:

14 (1) The following criteria must be met before an area may be
15 designated as a residential targeted area:

16 (a) The area must be within an urban center, as determined by the
17 governing authority;

18 (b) The area must lack, as determined by the governing authority,
19 sufficient available, desirable, and convenient residential housing,
20 including affordable housing, to meet the needs of the public who would
21 be likely to live in the urban center, if the affordable, desirable,
22 attractive, and livable places to live were available; and

23 (c) The providing of additional housing opportunity, including
24 affordable housing, in the area, as determined by the governing
25 authority, will assist in achieving one or more of the stated purposes
26 of this chapter.

27 (2) For the purpose of designating a residential targeted area or
28 areas, the governing authority may adopt a resolution of intention to
29 so designate an area as generally described in the resolution. The
30 resolution must state the time and place of a hearing to be held by the
31 governing authority to consider the designation of the area and may
32 include such other information pertaining to the designation of the
33 area as the governing authority determines to be appropriate to apprise
34 the public of the action intended.

35 (3) The governing authority shall give notice of a hearing held
36 under this chapter by publication of the notice once each week for two
37 consecutive weeks, not less than seven days, nor more than thirty days

1 before the date of the hearing in a paper having a general circulation
2 in the city where the proposed residential targeted area is located.
3 The notice must state the time, date, place, and purpose of the hearing
4 and generally identify the area proposed to be designated as a
5 residential targeted area.

6 (4) Following the hearing, or a continuance of the hearing, the
7 governing authority may designate all or a portion of the area
8 described in the resolution of intent as a residential targeted area if
9 it finds, in its sole discretion, that the criteria in subsections (1)
10 through (3) of this section have been met.

11 (5) After designation of a residential targeted area, the governing
12 authority (~~shall~~) must adopt and implement standards and guidelines
13 to be utilized in considering applications and making the
14 determinations required under RCW 84.14.060. The standards and
15 guidelines must establish basic requirements for both new construction
16 and rehabilitation (~~including~~), which must include:

- 17 (a) Application process and procedures; and
- 18 (b) By December 1, 2007, affordable housing requirements to ensure
19 that each project receiving a tax exemption provides for mixed income
20 housing that includes a percentage of units that are affordable to low
21 and moderate-income households. These guidelines may also include the
22 following:

23 (~~(a)~~) (i) Requirements that address demolition of existing
24 structures and site utilization; and

25 (~~(b)~~) (ii) Building requirements that may include elements
26 addressing parking, height, density, environmental impact, and
27 compatibility with the existing surrounding property and such other
28 amenities as will attract and keep permanent residents and that will
29 properly enhance the livability of the residential targeted area in
30 which they are to be located.

31 **Sec. 7.** RCW 84.14.050 and 1999 c 132 s 2 are each amended to read
32 as follows:

33 An owner of property seeking tax incentives under this chapter must
34 complete the following procedures:

- 35 (1) In the case of rehabilitation or where demolition or new
36 construction is required, the owner shall secure from the governing
37 authority or duly authorized (~~agent~~) representative, before

1 commencement of rehabilitation improvements or new construction,
2 verification of property noncompliance with applicable building and
3 housing codes;

4 (2) In the case of new and rehabilitated multifamily housing, the
5 owner shall apply to the city on forms adopted by the governing
6 authority. The application must contain the following:

7 (a) Information setting forth the grounds supporting the requested
8 exemption including information indicated on the application form or in
9 the guidelines;

10 (b) A description of the project and site plan, including the floor
11 plan of units and other information requested;

12 (c) A statement that the applicant is aware of the potential tax
13 liability involved when the property ceases to be eligible for the
14 incentive provided under this chapter;

15 (3) The applicant must verify the application by oath or
16 affirmation; and

17 (4) The application must be accompanied by the application fee, if
18 any, required under RCW 84.14.080. The governing authority may permit
19 the applicant to revise an application before final action by the
20 governing authority.

21 **Sec. 8.** RCW 84.14.060 and 1995 c 375 s 9 are each amended to read
22 as follows:

23 The duly authorized administrative official or committee of the
24 city may approve the application if it finds that:

25 (1) A minimum of four new units are being constructed or in the
26 case of occupied rehabilitation or conversion a minimum of four
27 additional multifamily units are being developed;

28 (2) The proposed multiunit housing project meets the housing
29 affordability requirements as established by the governing authority as
30 required in RCW 84.14.040.

31 (3) The proposed project is or will be, at the time of completion,
32 in conformance with all local plans and regulations that apply at the
33 time the application is approved;

34 ((+3)) (4) The owner has complied with all standards and
35 guidelines adopted by the city under this chapter; and

36 ((+4)) (5) The site is located in a residential targeted area of

1 an urban center that has been designated by the governing authority in
2 accordance with procedures and guidelines indicated in RCW 84.14.040.

3 **Sec. 9.** RCW 84.14.090 and 1995 c 375 s 12 are each amended to read
4 as follows:

5 (1) Upon completion of rehabilitation or new construction for which
6 an application for a limited tax exemption under this chapter has been
7 approved and after issuance of the certificate of occupancy, the owner
8 shall file with the city the following:

9 (a) A statement of the amount of rehabilitation or construction
10 expenditures made with respect to each housing unit and the composite
11 expenditures made in the rehabilitation or construction of the entire
12 property;

13 (b) A description of the work that has been completed and a
14 statement that the rehabilitation improvements or new construction on
15 the owner's property qualify the property for limited exemption under
16 this chapter; (~~and~~)

17 (c) A statement that the project meets the housing affordability
18 requirements established by the governing authority as required in RCW
19 84.14.040; and

20 (d) A statement that the work has been completed within three years
21 of the issuance of the conditional certificate of tax exemption.

22 (2) Within thirty days after receipt of the statements required
23 under subsection (1) of this section, the authorized representative of
24 the city shall determine whether the work completed, and the
25 affordability of the units, is consistent with the application and the
26 contract approved by the (~~governing authority~~) city and is qualified
27 for a limited tax exemption under this chapter. The city shall also
28 determine which specific improvements completed meet the requirements
29 and required findings.

30 (3) If the rehabilitation, conversion, or construction is completed
31 within three years of the date the application for a limited tax
32 exemption is filed under this chapter, or within an authorized
33 extension of this time limit, and the authorized representative of the
34 city determines that improvements were constructed consistent with the
35 application and other applicable requirements, including affordable
36 housing requirements, and the owner's property is qualified for a
37 limited tax exemption under this chapter, the city shall file the

1 certificate of tax exemption with the county assessor within ten days
2 of the expiration of the thirty-day period provided under subsection
3 (2) of this section.

4 (4) The authorized representative of the city shall notify the
5 applicant that a certificate of tax exemption is not going to be filed
6 if the authorized representative determines that:

7 (a) The rehabilitation or new construction was not completed within
8 three years of the application date, or within any authorized extension
9 of the time limit;

10 (b) The improvements were not constructed consistent with the
11 application or other applicable requirements; ~~((or))~~

12 (c) The affordable housing requirements established by the
13 governing authority as required in RCW 84.14.040 were not met; or

14 (d) The owner's property is otherwise not qualified for limited
15 exemption under this chapter.

16 (5) If the authorized representative of the city finds that
17 construction or rehabilitation of multiple-unit housing was not
18 completed within the required time period due to circumstances beyond
19 the control of the owner and that the owner has been acting and could
20 reasonably be expected to act in good faith and with due diligence, the
21 governing authority or the city official authorized by the governing
22 authority may extend the deadline for completion of construction or
23 rehabilitation for a period not to exceed twenty-four consecutive
24 months.

25 (6) The governing authority may provide by ordinance for an appeal
26 of a decision by the deciding officer or authority that an owner is not
27 entitled to a certificate of tax exemption to the governing authority,
28 a hearing examiner, or other city officer authorized by the governing
29 authority to hear the appeal in accordance with such reasonable
30 procedures and time periods as provided by ordinance of the governing
31 authority. The owner may appeal a decision by the deciding officer or
32 authority that is not subject to local appeal or a decision by the
33 local appeal authority that the owner is not entitled to a certificate
34 of tax exemption in superior court under RCW 34.05.510 through
35 34.05.598, if the appeal is filed within thirty days of notification by
36 the city to the owner of the decision being challenged.

1 **Sec. 10.** RCW 84.14.100 and 1995 c 375 s 13 are each amended to
2 read as follows:

3 Thirty days after the anniversary of the date of the certificate of
4 tax exemption and each year for a period of ten years, the owner of the
5 rehabilitated or newly constructed property shall file with a
6 designated (~~agent~~) authorized representative of the city an annual
7 report indicating the following:

8 (1) A statement of occupancy and vacancy of the rehabilitated or
9 newly constructed property during the twelve months ending with the
10 anniversary date;

11 (2) The total number of units produced and the number and
12 percentage of units affordable to low and moderate-income households;

13 (3) The actual development cost of each unit receiving a tax
14 exemption;

15 (4) The total monthly rent or sale amount of each unit receiving a
16 tax exemption;

17 (5) The income of each renter household at the time of initial
18 occupancy and the income of each initial purchaser of owner-occupied
19 units at the time of purchase for each of the units receiving a tax
20 exemption;

21 (6) A certification by the owner that the property has not changed
22 use and that the property has been in compliance with the affordable
23 housing requirements established by the governing authority as required
24 in RCW 84.14.040 since the date of the certificate approved by the
25 city; (~~and~~

26 ~~+3+))~~ (7) A description of changes or improvements constructed
27 after issuance of the certificate of tax exemption; and

28 (8) Any additional information requested by the city in regards to
29 the units receiving a tax exemption.

30 **Sec. 11.** RCW 84.14.110 and 2002 c 146 s 3 are each amended to read
31 as follows:

32 (1) If improvements have been exempted under this chapter, the
33 improvements continue to be exempted and not be converted to another
34 use for at least ten years from date of issuance of the certificate of
35 tax exemption. If the owner intends to convert the multifamily
36 development to another use, or if the owner intends to discontinue
37 compliance with the affordable housing requirements established by the

1 governing authority as required in RCW 84.14.040, the owner shall
2 notify the assessor within sixty days of the change in use. If, after
3 a certificate of tax exemption has been filed with the county assessor,
4 the ~~((city or assessor or agent))~~ authorized representative of the
5 governing authority discovers that a portion of the property is changed
6 or will be changed to a use that is other than residential or that
7 housing or amenities no longer meet the requirements, including
8 affordable housing requirements, as previously approved or agreed upon
9 by contract between the ~~((governing authority))~~ city and the owner and
10 that the multifamily housing, or a portion of the housing, no longer
11 qualifies for the exemption, the tax exemption must be canceled and the
12 following must occur:

13 (a) Additional real property tax must be imposed upon the value of
14 the nonqualifying improvements in the amount that would normally be
15 imposed, plus a penalty must be imposed amounting to twenty percent.
16 This additional tax is calculated based upon the difference between the
17 property tax paid and the property tax that would have been paid if it
18 had included the value of the nonqualifying improvements dated back to
19 the date that the improvements were converted to a nonmultifamily use;

20 (b) The tax must include interest upon the amounts of the
21 additional tax at the same statutory rate charged on delinquent
22 property taxes from the dates on which the additional tax could have
23 been paid without penalty if the improvements had been assessed at a
24 value without regard to this chapter; and

25 (c) The additional tax owed together with interest and penalty must
26 become a lien on the land and attach at the time the property or
27 portion of the property is removed from multifamily use or the
28 amenities no longer meet applicable requirements, and has priority to
29 and must be fully paid and satisfied before a recognizance, mortgage,
30 judgment, debt, obligation, or responsibility to or with which the land
31 may become charged or liable. The lien may be foreclosed upon
32 expiration of the same period after delinquency and in the same manner
33 provided by law for foreclosure of liens for delinquent real property
34 taxes. An additional tax unpaid on its due date is delinquent. From
35 the date of delinquency until paid, interest must be charged at the
36 same rate applied by law to delinquent ad valorem property taxes.

37 (2) Upon a determination that a tax exemption is to be canceled for
38 a reason stated in this section, the governing authority or authorized

1 representative shall notify the record owner of the property as shown
2 by the tax rolls by mail, return receipt requested, of the
3 determination to cancel the exemption. The owner may appeal the
4 determination to the governing authority or authorized representative,
5 within thirty days by filing a notice of appeal with the clerk of the
6 governing authority, which notice must specify the factual and legal
7 basis on which the determination of cancellation is alleged to be
8 erroneous. The governing authority or a hearing examiner or other
9 official authorized by the governing authority may hear the appeal. At
10 the hearing, all affected parties may be heard and all competent
11 evidence received. After the hearing, the deciding body or officer
12 shall either affirm, modify, or repeal the decision of cancellation of
13 exemption based on the evidence received. An aggrieved party may
14 appeal the decision of the deciding body or officer to the superior
15 court under RCW 34.05.510 through 34.05.598.

16 (3) Upon determination by the governing authority or authorized
17 representative to terminate an exemption, the county officials having
18 possession of the assessment and tax rolls shall correct the rolls in
19 the manner provided for omitted property under RCW 84.40.080. The
20 county assessor shall make such a valuation of the property and
21 improvements as is necessary to permit the correction of the rolls.
22 The value of the new housing construction, conversion, and
23 rehabilitation improvements added to the rolls shall be considered as
24 new construction for the purposes of chapter 84.55 RCW. The owner may
25 appeal the valuation to the county board of equalization under chapter
26 84.48 RCW and according to the provisions of RCW 84.40.038. If there
27 has been a failure to comply with this chapter, the property must be
28 listed as an omitted assessment for assessment years beginning January
29 1 of the calendar year in which the noncompliance first occurred, but
30 the listing as an omitted assessment may not be for a period more than
31 three calendar years preceding the year in which the failure to comply
32 was discovered.

33 NEW SECTION. **Sec. 12.** A new section is added to chapter 84.14 RCW
34 to read as follows:

35 (1) All cities, which issue certificates of tax exemption for
36 multiunit housing that conform to the requirements of this chapter,

1 shall report annually by December 31st of each year, beginning in 2007,
2 to the department of community, trade, and economic development. The
3 report must include the following information:

4 (a) A statement of the city affordable housing requirements
5 established by the governing authority as required in RCW 84.14.040 and
6 the rationale used in determining those requirements;

7 (b) The number of tax exemption certificates granted;

8 (c) The total number and type of units produced or to be produced;

9 (d) The number and type of units produced or to be produced meeting
10 the city affordable housing requirements;

11 (e) The actual development cost of each unit produced;

12 (f) The total monthly rent or total sale amount of each unit
13 produced;

14 (g) The income of each renter household at the time of initial
15 occupancy and the income of each initial purchaser of owner-occupied
16 units at the time of purchase for each of the units receiving a tax
17 exemption and a summary of these figures for the city; and

18 (h) The value of the tax exemption for each project receiving a tax
19 exemption and the total value of tax exemptions granted.

20 (2) The department of community, trade, and economic development
21 may also establish performance measures specifically for the tax
22 exemption program upon which the participating cities shall annually
23 report or may require cities to report upon existing affordable housing
24 performance measures related to the tax exemption program.

25 (3) Cities must include this report in all local housing plans and
26 the department of community, trade, and economic development must
27 include a consolidated summary of program reports in all state housing
28 plans.

29 (4) Beginning in 2009, all cities, which issue certificates of tax
30 exemption for multiunit housing that conform to the requirements of
31 this chapter and which receive over five hundred thousand dollars a
32 year during the previous calendar year from: State housing-related
33 funding sources, including the housing trust fund; Washington state
34 housing finance commission programs; and the ending homelessness
35 program surcharge in RCW 36.22.179 and the surcharges in RCW 36.22.178,
36 shall apply to the full examination Washington state quality award
37 program once every three years beginning by January 1, 2010.

1 NEW SECTION. **Sec. 13.** This act is applicable only to cities that
2 issue certificates of tax exemption for multiunit housing under this
3 chapter and applications for tax exemption certificates submitted under
4 this chapter, after the effective date of this act.

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